

MEMORANDUM FOR: Deputy Director for Administration

FROM: Executive Assistant to the DDCI

Harry:

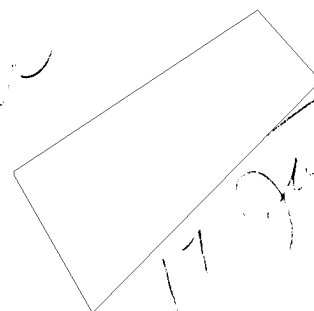
John says he cannot sign off on something that will cost more and wonders if you can assure him that while some individuals may receive more money, the overall administrative savings will result in a net savings for the Agency. Thanx,



Date 17 June 1985

FORM 101 USE PREVIOUS EDITIONS
5-75

ORIG h/c
back to DDA -
will be rel'd
later



17 June 85

85-0944/2

MEMORANDUM FOR: Director of Central Intelligence

VIA: Deputy Director of Central Intelligence
Executive Director

FROM: Harry E. Fitzwater
Deputy Director for Administration

SUBJECT: Establishment of Flat Rate Per Diem System
for Domestic Travel

1. Action Requested: Your approval to establish a flat rate per diem system for domestic travel on a trial basis of one year. Flat rate per diem is defined as a nonaccountable fixed allowance while in an official travel status.

2. Background: The Agency currently uses three different methods to compute per diem for domestic TDY travel (High Rate Geographic Areas/Actual Subsistence; Lodgings Plus; and Mixed Mode). It does so in order to comply with legislative requirements and the regulations administered by General Services Administration (GSA).

GSA proposed to Congress that a flat rate per diem system be adopted for travel in the United States. Congress appeared cool to the proposal, but did authorize, in the DOD Authorization Bill for 1985, the Air Force, Defense Contract Audit Agency (DCAA), and Defense Logistics Agency (DLA), to run a two-year test of the concept starting in February 1984. The concept is good because it greatly simplifies the accounting process and would make automation of the whole travel accounting process much simpler to accomplish.

These organizations were to report back to Congress in March 1985. While the test results have not been published, we understand that they all wish to continue with the flat rate concept with modifications. Travel reimbursements have increased but employee morale has soared. Faster processing of the accountings, with less audit time, and a reduction in the amount of training time now required to prepare and process travel accountings are other benefits.

3. Recommendation: That you approve the adoption of a flat rate per diem system for the Agency on a one-year trial basis. Statistics will be maintained and reviewed at the end of ten (10) months for the purpose of submitting a recommendation for the continuation or termination of the system. This recommendation has been concurred in by the Office of General Counsel. Appropriate Congressional Committees will be advised prior to implementation.

Harry E. Fitzwater

SUBJECT: Establishment of Flat Rate Per Diem System for
Domestic Travel

CONCUR:

Executive Director

Date

Deputy Director of Central Intelligence

Date

APPROVED:

Director of Central Intelligence

Date